

Filing status: ☐ Single ☒ Married filing jointly ☐ Married filing separately ☐ Head of household ☐ Qualifying widow(er)

Your first name and initial: **Anthony** Last name: **Fanara** Your social security number: [REDACTED]

Your standard deduction: ☐ Someone can claim you as a dependent ☒ You were born before January 2, 1954 ☐ You are blind

If joint return, spouse's first name and initial: **Marianna** Last name: **Fanara** Spouse's social security number: [REDACTED]

Spouse standard deduction: ☐ Someone can claim your spouse as a dependent ☒ Spouse was born before January 2, 1954 ☒ Full-year health care coverage or exempt (see inst.)

☐ Spouse is blind ☐ Spouse itemizes on a separate return or you were dual-status alien

Home address (number and street): [REDACTED] Apt. no.: [REDACTED] Presidential Election Campaign (see inst.) ☐ You ☐ Spouse

City, town or post office, state, and ZIP code. If you have a foreign address, attach Schedule 6. [REDACTED] If more than four dependents, see inst. and check here ☐

Dependents (see instructions):		(2) Social security number	(3) Relationship to you	(4) Check if qualifies for (see inst.):	
(1) First name	Last name			Child tax credit	Credit for other dependents
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Sign Here Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joint return? See instructions. Keep a copy for your records.

Your signature: [REDACTED] Date: **04-15-2019** Your occupation: [REDACTED]

Spouse's signature. If a joint return, both must sign. [REDACTED] Date: **04-15-2019** Spouse's occupation: [REDACTED]

If the IRS sent you an Identity Protection PIN, enter it here (see inst.): [REDACTED]

If the IRS sent you an Identity Protection PIN, enter it here (see inst.): [REDACTED]

Paid Preparer Use Only

Preparer's signature: [REDACTED] PTIN: [REDACTED] Firm's EIN: [REDACTED] Check if: ☒ 3rd Party Designee ☒ Self-employed

Preparer's name: **Ilma V Avila** Phone no.: [REDACTED]

Firm's name: **Ilma V Avila CPA**

Firm's address: [REDACTED]

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions. Form **1040** (2018)

1	Wages, salaries, tips, etc. Attach Form(s) W-2	1	
2a	Tax-exempt interest	2a	
3a	Qualified dividends	3a	14,212
4a	IRAs, pensions, and annuities	4a	
5a	Social security benefits	5a	28,806
6	Total income. Add lines 1 through 5. Add any amount from Schedule 1, line 22	6	167,707
7	Adjusted gross income. If you have no adjustments to income, enter the amount from line 6; otherwise, subtract Schedule 1, line 36, from line 6	7	206,660
8	Standard deduction or itemized deductions (from Schedule A)	8	57,960
9	Qualified business income deduction (see instructions)	9	26,898
10	Taxable income. Subtract lines 8 and 9 from line 7. If zero or less, enter -0-	10	121,802
11	a Tax (see inst.) 17,681 (check if any from: 1 <input type="checkbox"/> Form(s) 8814 2 <input type="checkbox"/> Form 4872 3 <input type="checkbox"/>)	11	17,681
12	b Add any amount from Schedule 2 and check here <input type="checkbox"/>	12	12,871
13	a Child tax credit/credit for other dependents b Add any amount from Schedule 3 & check here <input checked="" type="checkbox"/>	13	4,810
14	Subtract line 12 from line 11. If zero or less, enter -0-	14	4,810
15	Other taxes. Attach Schedule 4	15	4,810
16	Total tax. Add lines 13 and 14	16	
17	Federal income tax withheld from Forms W-2 and 1099	17	
18	Refundable credits: a EIC (see inst.) b Sch 8812 c Form 8863	18	
19	Add any amount from Schedule 5 3,000	19	3,000
20	Add lines 16 and 17. These are your total payments	20	3,000
21	If line 18 is more than line 15, subtract line 15 from line 18. This is the amount you overpaid	21	
22	Amount of line 19 you want refunded to you. If Form 8888 is attached, check here <input type="checkbox"/>	22	
23	Routing number c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	23	
24	Account number	24	
25	Amount of line 19 you want applied to your 2019 estimated tax	25	
26	Amount you owe. Subtract line 18 from line 15. For details on how to pay, see instructions	26	1,810
27	Estimated tax penalty (see instructions)	27	

SCHEDULE 1
(Form 1040)

Department of the Treasury
Internal Revenue Service
Name(s) shown on Form 1040

Additional Income and Adjustments to Income

► Attach to Form 1040.
► Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **01**

Anthony & Marianna Fanara			Your social security number	
			[REDACTED]	
Additional Income	1-9b	Reserved	1-9b	
	10	Taxable refunds, credits, or offsets of state and local income taxes	10	157
	11	Alimony received	11	
	12	Business income or (loss). Attach Schedule C or C-EZ	12	(34,355)
	13	Capital gain or (loss). Attach Schedule D if required. If not required, check here <input type="checkbox"/>	13	
	14	Other gains or (losses). Attach Form 4797	14	
	15a	Reserved	15b	
	16a	Reserved	16b	
	17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E	17	201,905
	18	Farm income or (loss). Attach Schedule F	18	
	19	Unemployment compensation	19	
	20a	Reserved	20b	
21	Other income. List type and amount ►	21		
22	Combine the amounts in the far right column. If you don't have any adjustments to income, enter here and include on Form 1040, line 6. Otherwise, go to line 23		22	167,707
Adjustments to Income	23	Educator expenses	23	
	24	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106	24	
	25	Health savings account deduction. Attach Form 8889	25	
	26	Moving expenses for members of the Armed Forces. Attach Form 3903	26	
	27	Deductible part of self-employment tax. Attach Schedule SE	27	
	28	Self-employed SEP, SIMPLE, and qualified plans	28	
	29	Self-employed health insurance deduction	29	
	30	Penalty on early withdrawal of savings	30	
	31a	Alimony paid b Recipient's SSN ►	31a	
	32	IRA deduction	32	
	33	Student loan interest deduction	33	
	34	Reserved	34	
	35	Reserved	35	
	36	Add lines 23 through 35	36	0

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule 1 (Form 1040) 2018

SCHEDULE 3
(Form 1040)

Nonrefundable Credits

OMB No. 1545-0074

2018

Attachment
Sequence No. **03**

Department of the Treasury
Internal Revenue Service

► **Attach to Form 1040.**

► **Go to www.irs.gov/Form1040 for instructions and the latest information.**

Name(s) shown on Form 1040

Your social security number

Anthony & Marianna Fanara

Nonrefundable	48	Foreign tax credit. Attach Form 1116 if required	48	
Credits	49	Credit for child and dependent care expenses. Attach Form 2441	49	
	50	Education credits from Form 8863, line 19	50	
	51	Retirement savings contributions credit. Attach Form 8880	51	
	52	Reserved	52	
	53	Residential energy credit. Attach Form 5695	53	
	54	Other credits from Form a <input checked="" type="checkbox"/> 3800 b <input type="checkbox"/> 8801 c <input type="checkbox"/>	54	12,871
	55	Add the amounts in the far right column. Enter here and include on Form 1040, line 12	55	12,871

For Paperwork Reduction Act Notice, see your tax return Instructions.

Schedule 3 (Form 1040) 2018

EEA

SCHEDULE 5
(Form 1040)

Department of the Treasury
Internal Revenue Service
Name(s) shown on Form 1040

Other Payments and Refundable Credits

► Attach to Form 1040.
► Go to www.irs.gov/Form1040 for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **05**

Anthony & Marianna Fanara

Your social security number

Other	65	Reserved	65	
Payments	66	2018 estimated tax payments and amount applied from 2017 return	66	3,000
and	67a	Reserved	67a	
Refundable	b	Reserved	67b	
Credits	68-69	Reserved	68-69	
	70	Net premium tax credit. Attach Form 8962	70	
	71	Amount paid with request for extension to file (see instructions)	71	
	72	Excess social security and tier 1 RRTA tax withheld	72	
	73	Credit for federal tax on fuels. Attach Form 4136	73	
	74	Credits from Form: a <input type="checkbox"/> 2439 b <input type="checkbox"/> Reserved c <input type="checkbox"/> 8885 d <input type="checkbox"/>	74	
	75	Add the amounts in the far right column. These are your total other payments and refundable credits . Enter here and include on Form 1040, line 17	75	3,000

For Paperwork Reduction Act Notice, see your tax return Instructions.

Schedule 5 (Form 1040) 2018

EEA

**SCHEDULE A
(Form 1040)**

Itemized Deductions

OMB No. 1545-0074

► Go to www.irs.gov/ScheduleA for instructions and the latest information.

► Attach to Form 1040.

2018

Attachment
Sequence No. **07**

Department of the Treasury
Internal Revenue Service (99)

Caution: If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 15.

Name(s) shown on Form 1040

Your social security number

Anthony & Marianna Fanara

Medical and Dental Expenses	Caution: Do not include expenses reimbursed or paid by others.		
1	Medical and dental expenses (see instructions)	1	2,693
2	Enter amount from Form 1040, line 7 2 206,660		
3	Multiply line 2 by 7.5% (0.075)	3	15,500
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0
Taxes You Paid	5 State and local taxes		
	a State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>	5a	4,527
	b State and local real estate taxes (see instructions)	5b	
	c State and local personal property taxes	5c	8,360
	d Add lines 5a through 5c	5d	12,887
	e Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	5e	10,000
	6 Other taxes. List type and amount	6	
	7 Add lines 5e and 6	7	10,000
Interest You Paid	8 Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
	a Home mortgage interest and points reported to you on Form 1098	8a	45,270
	b Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address	8b	
	c Points not reported to you on Form 1098. See instructions for special rules	8c	
	d Reserved	8d	
	e Add lines 8a through 8c	8e	45,270
	9 Investment interest. Attach Form 4952 if required. See instructions	9	
	10 Add lines 8e and 9	10	45,270
Gifts to Charity	11 Gifts by cash or check. If you made any gift of \$250 or more, see instructions	11	2,690
	12 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	12	
	13 Carryover from prior year	13	
	14 Add lines 11 through 13	14	2,690
Casualty and Theft Losses	15 Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	15	
Other Itemized Deductions	16 Other - from list in instructions. List type and amount	16	
Total Itemized Deductions	17 Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040, line 8	17	57,960
	18 If you elect to itemize deductions even though they are less than your standard deduction, check here <input type="checkbox"/>		

For Paperwork Reduction Act Notice, see the instructions for Form 1040.

Schedule A (Form 1040) 2018

SCHEDULE B
(Form 1040)Department of the Treasury
Internal Revenue Service (99)**Interest and Ordinary Dividends**

- Go to www.irs.gov/ScheduleB for instructions and the latest information.
- Attach to Form 1040.

OMB No. 1545-0074

2018Attachment
Sequence No. **08**

Name(s) shown on return

Anthony & Marianna Fanara

Your social security number

Part I**Interest**(See instructions
and the
instructions for
Form 1040,
line 2b.)**Note:** If you
received a Form
1099-INT, Form
1099-OID, or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the total interest
shown on that
form.

- 1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see the instructions and list this interest first. Also, show that buyer's social security number and address ►

Bank of the West 32
US Bank National Association 214
Wells Fargo Bank NA 10

INTEREST SUBTOTAL 256

- 2 Add the amounts on line 1 256
- 3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815 3
- 4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 2b ► 256

Note: If line 4 is over \$1,500, you must complete Part III.**Part II****Ordinary
Dividends**(See instructions
and the
instructions for
Form 1040,
line 3b.)**Note:** If you
received a Form
1099-DIV or
substitute
statement from
a brokerage firm,
list the firm's
name as the
payer and enter
the ordinary
dividends shown
on that form.

- 5 List name of payer ►
- Discover Financial Services 2,665
Morgan Stanley 3,780
Pershing LLC 303
Prudential Financial 54
Prudential Financial 266
The Allstate Corporation 7,144

DIVIDEND SUBTOTAL 14,212

- 6 Add the amounts on line 5. Enter the total here and on Form 1040, line 3b ► 14,212

Note: If line 6 is over \$1,500, you must complete Part III.**Part III****Foreign
Accounts
and Trusts**

(See instructions.)

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

- 7a At any time during 2018, did you have a financial interest in or signature authority over a financial account (such as a bank account, securities account, or brokerage account) located in a foreign country? See instructions X
- If "Yes," are you required to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR), to report that financial interest or signature authority? See FinCEN Form 114 and its instructions for filing requirements and exceptions to those requirements
- b If you are required to file FinCEN Form 114, enter the name of the foreign country where the financial account is located ►
- 8 During 2018, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust? If "Yes," you may have to file Form 3520. See instructions X

SCHEDULE C
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Profit or Loss From Business

(Sole Proprietorship)

► Go to www.irs.gov/ScheduleC for instructions and the latest information.

► Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

OMB No. 1545-0074

2018

Attachment
Sequence No. **09**

Name of proprietor Anthony Fanara		Social security number (SSN) [REDACTED]
A Principal business or profession, including product or service (see instructions) Restaurant Food Sale		B Enter code from instructions ► 722511
C Business name. If no separate business name, leave blank. Palermo Italian Restorante		D Employer ID number (EIN) (see instr.) [REDACTED]
E Business address (including suite or room no.) ► [REDACTED] City, town or post office, state, and ZIP code		
F Accounting method: (1) <input checked="" type="checkbox"/> Cash (2) <input type="checkbox"/> Accrual (3) <input type="checkbox"/> Other (specify) ►		
G Did you "materially participate" in the operation of this business during 2018? If "No," see instructions for limit on losses		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
H If you started or acquired this business during 2018, check here		<input type="checkbox"/> Yes <input type="checkbox"/> No
I Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions)		<input type="checkbox"/> Yes <input type="checkbox"/> No
J If "Yes," did you or will you file required Forms 1099?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part I Income

1 Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	1	1,985,329
2 Returns and allowances	2	0
3 Subtract line 2 from line 1	3	1,985,329
4 Cost of goods sold (from line 42)	4	776,195
5 Gross profit. Subtract line 4 from line 3	5	1,209,134
6 Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)	6	1,592
7 Gross income. Add lines 5 and 6	7	1,210,726

Part II Expenses. Enter expenses for business use of your home **only** on line 30.

8 Advertising	8	23,710	18 Office expense (see instructions)	18	9,668
9 Car and truck expenses (see instructions)	9	14,276	19 Pension and profit-sharing plans	19	
10 Commissions and fees	10		20 Rent or lease (see instructions):		
11 Contract labor (see instructions)	11		a Vehicles, machinery, and equipment	20a	
12 Depletion	12		b Other business property	20b	2,517
13 Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13	10,002	21 Repairs and maintenance	21	28,852
14 Employee benefit programs (other than on line 19)	14	139,542	22 Supplies (not included in Part III)	22	17,860
15 Insurance (other than health)	15	67,457	23 Taxes and licenses	23	77,433
16 Interest (see instructions):			24 Travel and meals:		
a Mortgage (paid to banks, etc.)	16a		a Travel	24a	
b Other	16b	200	b Deductible meals (see instructions)	24b	
17 Legal and professional services	17	9,750	25 Utilities	25	87,230
28 Total expenses before expenses for business use of home. Add lines 8 through 27a	28		26 Wages (less employment credits)	26	658,218
29 Tentative profit or (loss). Subtract line 28 from line 7	29		27a Other expenses (from line 48)	27a	98,366
30 Expenses for business use of your home. Do not report these expenses elsewhere. Attach Form 8829 unless using the simplified method (see instructions).			b Reserved for future use	27b	
Simplified method filers only: enter the total square footage of: (a) your home: _____ and (b) the part of your home used for business: _____. Use the Simplified Method Worksheet in the instructions to figure the amount to enter on line 30			30		
31 Net profit or (loss). Subtract line 30 from line 29.	31				(34,355)
<ul style="list-style-type: none"> • If a profit, enter on both Schedule 1 (Form 1040), line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3. • If a loss, you must go to line 32. 					
32 If you have a loss, check the box that describes your investment in this activity (see instructions).					
<ul style="list-style-type: none"> • If you checked 32a, enter the loss on both Schedule 1 (Form 1040), line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3. • If you checked 32b, you must attach Form 6198. Your loss may be limited. 			32a	<input checked="" type="checkbox"/> All investment is at risk.	
			32b	<input type="checkbox"/> Some investment is not at risk.	

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule C (Form 1040) 2018

Name(s) **Anthony Fanara** SSN **[REDACTED]**

Part III Cost of Goods Sold (see instructions)

33	Method(s) used to value closing inventory: a <input checked="" type="checkbox"/> Cost b <input type="checkbox"/> Lower of cost or market c <input type="checkbox"/> Other (attach explanation)	
34	Was there any change in determining quantities, costs, or valuations between opening and closing inventory? If "Yes," attach explanation	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
35	Inventory at beginning of year. If different from last year's closing inventory, attach explanation	35 15,000
36	Purchases less cost of items withdrawn for personal use	36 540,610
37	Cost of labor. Do not include any amounts paid to yourself	37
38	Materials and supplies	38 74,937
39	Other costs	39 157,648
40	Add lines 35 through 39	40 788,195
41	Inventory at end of year	41 12,000
42	Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4	42 776,195

Part IV Information on Your Vehicle. Complete this part **only** if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43	When did you place your vehicle in service for business purposes? (month, day, year) ▶	
44	Of the total number of miles you drove your vehicle during 2018, enter the number of miles you used your vehicle for:	
a	Business	b Commuting (see instructions)
c	Other	
45	Was your vehicle available for personal use during off-duty hours?	<input type="checkbox"/> Yes <input type="checkbox"/> No
46	Do you (or your spouse) have another vehicle available for personal use?	<input type="checkbox"/> Yes <input type="checkbox"/> No
47a	Do you have evidence to support your deduction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
b	If "Yes," is the evidence written?	<input type="checkbox"/> Yes <input type="checkbox"/> No

Part V Other Expenses. List below business expenses not included on lines 8-26 or line 30.

Statement #1

48	Total other expenses. Enter here and on line 27a	48	98,366
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SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **13**

Name(s) shown on return

Anthony & Marianna Fanara

Your social security number

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use **Schedule C or C-EZ** (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☒ No

B If "Yes," did you or will you file required Forms 1099? ☐ Yes ☐ No

1a	Physical address of each property (street, city, state, ZIP code)				
A					
B					
C					
1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	2		365	0	<input type="checkbox"/>
B	4		365	0	<input type="checkbox"/>
C	1		365	0	<input type="checkbox"/>

Type of Property:

- 1 Single Family Residence 3 Vacation/Short-Term Rental 5 Land 7 Self-Rental
2 Multi-Family Residence 4 Commercial 6 Royalties 8 Other (describe)

Income:		Properties:	A	B	C
3	Rents received	3	94,771	156,600	7,380
4	Royalties received	4			
Expenses:					
5	Advertising	5			
6	Auto and travel (see instructions)	6			
7	Cleaning and maintenance	7	3,362		
8	Commissions	8			
9	Insurance	9	5,262		1,050
10	Legal and other professional fees	10	5,513	1,500	
11	Management fees	11	4,560		
12	Mortgage interest paid to banks, etc. (see instructions)	12	13,799	62,942	
13	Other interest	13			
14	Repairs	14			83
15	Supplies	15			
16	Taxes	16	13,945	12,427	3,997
17	Utilities	17	2,584	2,091	701
18	Depreciation expense or depletion	18	10,659	23,484	4,299
19	Other (list) ▶ <u>Statement #2</u>	19	2,688	1,936	321
20	Total expenses. Add lines 5 through 19	20	62,372	104,380	10,451
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	32,399	52,220	(3,071)
22	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()	(3,071)
23a	Total of all amounts reported on line 3 for all rental properties	23a	478,100		
b	Total of all amounts reported on line 4 for all royalty properties	23b	0		
c	Total of all amounts reported on line 12 for all properties	23c	76,741		
d	Total of all amounts reported on line 18 for all properties	23d	60,168		
e	Total of all amounts reported on line 20 for all properties	23e	276,195		
24	Income. Add positive amounts shown on line 21. Do not include any losses	24		204,976	
25	Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	(3,071)		
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26		201,905	

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule E (Form 1040) 2018

SCHEDULE E
(Form 1040)

Department of the Treasury
Internal Revenue Service (99)

Supplemental Income and Loss

(From rental real estate, royalties, partnerships, S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ Go to www.irs.gov/ScheduleE for instructions and the latest information.

OMB No. 1545-0074

2018

Attachment
Sequence No. **13**

Name(s) shown on return

Your social security number

Anthony & Marianna Fanara

Part I **Income or Loss From Rental Real Estate and Royalties** Note: If you are in the business of renting personal property, use **Schedule C** or **C-EZ** (see instructions). If you are an individual, report farm rental income or loss from **Form 4835** on page 2, line 40.

A Did you make any payments in 2018 that would require you to file Form(s) 1099? (see instructions) ☐ Yes ☐ No

B If "Yes," did you or will you file required Forms 1099? ☐ Yes ☐ No

1a	Physical address of each property (street, city, state, ZIP code)				
A					
B					
C					
1b	Type of Property (from list below)	2 For each rental real estate property listed above, report the number of fair rental and personal use days. Check the QJV box only if you meet the requirements to file as a qualified joint venture. See instructions.	Fair Rental Days	Personal Use Days	QJV
A	1		365	0	<input type="checkbox"/>
B	8		365	0	<input type="checkbox"/>
C	4		365	0	<input type="checkbox"/>

Type of Property:

- | | | | |
|---------------------------|------------------------------|-------------|---------------------------------------|
| 1 Single Family Residence | 3 Vacation/Short-Term Rental | 5 Land | 7 Self-Rental |
| 2 Multi-Family Residence | 4 Commercial | 6 Royalties | 8 Other (describe) B-Sign Post |

Income:		Properties:	A	B	C
3	Rents received	3	29,073	1,493	188,783
4	Royalties received	4			
Expenses:					
5	Advertising	5			
6	Auto and travel (see instructions)	6			
7	Clearing and maintenance	7			2,400
8	Commissions	8			
9	Insurance	9	825		4,400
10	Legal and other professional fees	10			1,500
11	Management fees	11			6,571
12	Mortgage interest paid to banks, etc. (see instructions)	12			
13	Other interest	13			
14	Repairs	14	200		
15	Supplies	15			
16	Taxes	16	3,353		47,858
17	Utilities	17			9,926
18	Depreciation expense or depletion	18	3,588		18,138
19	Other (list) ▶ Statement #3	19	203	18	12
20	Total expenses. Add lines 5 through 19	20	8,169	18	90,805
21	Subtract line 20 from line 3 (rents) and/or 4 (royalties). If result is a (loss), see instructions to find out if you must file Form 6198	21	20,904	1,475	97,978
22	Deductible rental real estate loss after limitation, if any, on Form 8582 (see instructions)	22	()	()	()
23a	Total of all amounts reported on line 3 for all rental properties	23a			
b	Total of all amounts reported on line 4 for all royalty properties	23b			
c	Total of all amounts reported on line 12 for all properties	23c			
d	Total of all amounts reported on line 18 for all properties	23d			
e	Total of all amounts reported on line 20 for all properties	23e			
24	Income. Add positive amounts shown on line 21. Do not include any losses	24			
25	Losses. Add royalty losses from line 21 and rental real estate losses from line 22. Enter total losses here	25	()		
26	Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Schedule 1 (Form 1040), line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			

For Paperwork Reduction Act Notice, see the separate instructions.

Schedule E (Form 1040) 2018

General Business Credit

OMB No. 1545-0895

2018

Department of the Treasury
Internal Revenue Service (99)

► Go to www.irs.gov/Form3800 for instructions and the latest information.
► You must attach all pages of Form 3800, pages 1, 2, and 3, to your tax return.

Attachment
Sequence No. 22

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Part I Current Year Credit for Credits Not Allowed Against Tentative Minimum Tax (TMT)

(See instructions and complete Part(s) III before Parts I and II.)

1	General business credit from line 2 of all Parts III with box A checked	1	
2	Passive activity credits from line 2 of all Parts III with box B checked	2	
3	Enter the applicable passive activity credits allowed for 2018. See instructions	3	
4	Carryforward of general business credit to 2018. Enter the amount from line 2 of Part III with box C checked. See instructions for statement to attach	4	
5	Carryback of general business credit from 2019. Enter the amount from line 2 of Part III with box D checked. See instructions	5	
6	Add lines 1, 3, 4, and 5	6	0

Part II Allowable Credit

7	Regular tax before credits: <ul style="list-style-type: none"> Individuals. Enter the sum of the amounts from Form 1040, line 11a, and Schedule 2 (Form 1040), line 46, or the sum of the amounts from Form 1040NR, lines 42 and 44 Corporations. Enter the amount from Form 1120, Schedule J, Part I, line 2; or the applicable line of your return Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b; or the amount from the applicable line of your return 	7	17,681
8	Alternative minimum tax: <ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 11 Corporations. Enter -0- Estates and trusts. Enter the amount from Schedule I (Form 1041), line 56 	8	
9	Add lines 7 and 8	9	17,681
10a	Foreign tax credit	10a	
b	Certain allowable credits (see instructions)	10b	
c	Add lines 10a and 10b	10c	0
11	Net income tax. Subtract line 10c from line 9. If zero, skip lines 12 through 15 and enter -0- on line 16	11	17,681
12	Net regular tax. Subtract line 10c from line 7. If zero or less, enter -0-	12	17,681
13	Enter 25% (0.25) of the excess, if any, of line 12 over \$25,000. See instructions	13	
14	Tentative minimum tax: <ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 9 Corporations. Enter -0- Estates and trusts. Enter the amount from Schedule I (Form 1041), line 54 	14	2,833
15	Enter the greater of line 13 or line 14	15	2,833
16	Subtract line 15 from line 11. If zero or less, enter -0-	16	14,848
17	Enter the smaller of line 6 or line 16. C corporations: See the line 17 instructions if there has been an ownership change, acquisition, or reorganization.	17	0

For Paperwork Reduction Act Notice, see separate instructions.

Form 3800 (2018)

Part II Allowable Credit (continued)**Note:** If you are not required to report any amounts on lines 22 or 24 below, skip lines 18 through 25 and enter -0- on line 26.

18	Multiply line 14 by 75% (0.75). See instructions	18	
19	Enter the greater of line 13 or line 18	19	
20	Subtract line 19 from line 11. If zero or less, enter -0-	20	
21	Subtract line 17 from line 20. If zero or less, enter -0-	21	
22	Combine the amounts from line 3 of all Parts III with box A, C, or D checked	22	
23	Passive activity credit from line 3 of all Parts III with box B checked	23	
24	Enter the applicable passive activity credit allowed for 2018. See instructions	24	
25	Add lines 22 and 24	25	
26	Empowerment zone and renewal community employment credit allowed. Enter the smaller of line 21 or line 25	26	
27	Subtract line 13 from line 11. If zero or less, enter -0-	27	17,681
28	Add lines 17 and 26	28	0
29	Subtract line 28 from line 27. If zero or less, enter -0-	29	17,681
30	Enter the general business credit from line 5 of all Parts III with box A checked	30	12,871
31	Reserved	31	
32	Passive activity credits from line 5 of all Parts III with box B checked	32	
33	Enter the applicable passive activity credits allowed for 2018. See instructions	33	
34	Carryforward of business credit to 2018. Enter the amount from line 5 of Part III with box C checked and line 6 of Part III with box G checked. See instructions for statement to attach	34	
35	Carryback of business credit from 2019. Enter the amount from line 5 of Part III with box D checked. See instructions	35	
36	Add lines 30, 33, 34, and 35	36	12,871
37	Enter the smaller of line 29 or line 36.	37	12,871
38	Credit allowed for the current year. Add lines 28 and 37. Report the amount from line 38 (if smaller than the sum of Part I, line 6, and Part II, lines 25 and 36, see instructions) as indicated below or on the applicable line of your return. <ul style="list-style-type: none"> • Individuals. Schedule 3 (Form 1040), line 54, or Form 1040NR, line 51 • Corporations. Form 1120, Schedule J, Part I, line 5c • Estates and trusts. Form 1041, Schedule G, line 2b 	38	12,871

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Part III General Business Credits or Eligible Small Business Credits (see instructions)

Complete a separate Part III for each box checked below. See instructions.

- A** ☒ General Business Credit From a Non-Passive Activity **E** ☐ Reserved
B ☐ General Business Credit From a Passive Activity **F** ☐ Reserved
C ☐ General Business Credit Carryforwards **G** ☐ Eligible Small Business Credit Carryforwards
D ☐ General Business Credit Carrybacks **H** ☐ Reserved

I If you are filing more than one Part III with box A or B checked, complete and attach first an additional Part III combining amounts from all Parts III with box A or B checked. Check here if this is the consolidated Part III ▶ ☐

(a) Description of credit	(b) If claiming the credit from a pass-through entity, enter the EIN	(c) Enter the appropriate amount
Note: On any line where the credit is from more than one source, a separate Part III is needed for each pass-through entity.		
1 a Investment (Form 3468, Part II only) (attach Form 3468)	1a	
b Reserved	1b	
c Increasing research activities (Form 6765)	1c	
d Low-income housing (Form 8586, Part I only)	1d	
e Disabled access (Form 8826) (see instructions for limitation)	1e	
f Renewable electricity, refined coal, and Indian coal production (Form 8835)	1f	
g Indian employment (Form 8845)	1g	
h Orphan drug (Form 8820)	1h	
i New markets (Form 8874)	1i	
j Small employer pension plan startup costs (Form 8881) (see instructions for limitation)	1j	
k Employer-provided child care facilities and services (Form 8882) (see instructions for limitation)	1k	
l Biodiesel and renewable diesel fuels (attach Form 8864)	1l	
m Low sulfur diesel fuel production (Form 8896)	1m	
n Distilled spirits (Form 8906)	1n	
o Nonconventional source fuel (carryforward only)	1o	
p Energy efficient home (Form 8908)	1p	
q Energy efficient appliance (carryforward only)	1q	
r Alternative motor vehicle (Form 8910)	1r	
s Alternative fuel vehicle refueling property (Form 8911)	1s	
t Enhanced oil recovery credit (Form 8830)	1t	
u Mine rescue team training (Form 8923)	1u	
v Agricultural chemicals security (carryforward only)	1v	
w Employer differential wage payments (Form 8932)	1w	
x Carbon oxide sequestration (Form 8933)	1x	
y Qualified plug-in electric drive motor vehicle (Form 8936)	1y	
z Qualified plug-in electric vehicle (carryforward only)	1z	
aa Employee retention (Form 5884-A)	1aa	
bb General credits from an electing large partnership (Schedule K-1 (Form 1065-B)).	1bb	
zz Other. Oil and gas production from marginal wells (Form 8904) and certain other credits (see instructions)	1zz	
2 Add lines 1a through 1zz and enter here and on the applicable line of Part I	2	
3 Enter the amount from Form 8844 here and on the applicable line of Part II	3	
4 a Investment (Form 3468, Part III) (attach Form 3468)	4a	
b Work opportunity (Form 5884)	4b	
c Biofuel producer (Form 6478)	4c	
d Low-income housing (Form 8586, Part II)	4d	
e Renewable electricity, refined coal, and Indian coal production (Form 8835)	4e	
f Employer social security and Medicare taxes paid on certain employee tips (Form 8846)	4f	12,871
g Qualified railroad track maintenance (Form 8900)	4g	
h Small employer health insurance premiums (Form 8941)	4h	
i Increasing research activities (Form 6765)	4i	
j Employer credit for paid family and medical leave (Form 8994)	4j	
z Other	4z	
5 Add lines 4a through 4z and enter here and on the applicable line of Part II	5	12,871
6 Add lines 2, 3, and 5 and enter here and on the applicable line of Part II	6	12,871

Alternative Minimum Tax - Individuals

OMB No. 1545-0074

2018

Department of the Treasury
Internal Revenue Service (99)Go to www.irs.gov/Form 6251 for instructions and the latest information.

Attach to Form 1040 or Form 1040NR.

Attachment
Sequence No. 32

Name(s) shown on Form 1040 or Form 1040NR

Your social security number

Anthony & Marianna Fanara

Part I Alternative Minimum Taxable Income (See instructions for how to complete each line.)

1	Enter the amount from Form 1040, line 10, if more than zero. If Form 1040, line 10, is zero, subtract lines 8 and 9 of Form 1040 from line 7 of Form 1040 and enter the result here. (If less than zero, enter as a negative amount.)	1	121,802
2a	If filing Schedule A (Form 1040), enter the taxes from schedule A, line 7; otherwise, enter the amount from Form 1040, line 8	2a	10,000
b	Tax refund from Schedule 1 (Form 1040), line 10 or line 21	2b	(157)
c	Investment interest expense (difference between regular tax and AMT)	2c	
d	Depletion (difference between regular tax and AMT)	2d	
e	Net operating loss deduction from Schedule 1 (Form 1040), line 21. Enter as a positive amount	2e	
f	Alternative tax net operating loss deduction	2f	()
g	Interest from specified private activity bonds exempt from the regular tax	2g	
h	Qualified small business stock, see instructions	2h	
i	Exercise of incentive stock options (excess of AMT income over regular tax income)	2i	
j	Estates and trusts (amount from Schedule K-1 (Form 1041), box 12, code A)	2j	
k	Disposition of property (difference between AMT and regular tax gain or loss)	2k	
l	Depreciation on assets placed in service after 1986 (difference between regular tax and AMT)	2l	(5,339)
m	Passive activities (difference between AMT and regular tax income or loss)	2m	1
n	Loss limitations (difference between AMT and regular tax income or loss)	2n	
o	Circulation costs (difference between regular tax and AMT)	2o	
p	Long-term contracts (difference between AMT and regular tax income)	2p	
q	Mining costs (difference between regular tax and AMT)	2q	
r	Research and experimental costs (difference between regular tax and AMT)	2r	
s	Income from certain installment sales before January 1, 1987	2s	()
t	Intangible drilling costs preference	2t	
3	Other adjustments, including income-based related adjustments	3	
4	Alternative minimum taxable income. Combine lines 1 through 3. (If married filing separately and line 4 is more than \$718,800, see instructions.)	4	126,307

Part II Alternative Minimum Tax (AMT)

5	Exemption. (If you were under age 24 at the end of 2018, see instructions.)																		
<table border="0"> <thead> <tr> <th>IF your filing status is...</th> <th>AND line 4 is not over...</th> <th>THEN enter on line 5...</th> <th></th> <th></th> </tr> </thead> <tbody> <tr> <td>Single or head of household</td> <td>\$ 500,000</td> <td>\$ 70,300</td> <td rowspan="3">}</td> <td rowspan="3">5</td> </tr> <tr> <td>Married filing jointly or qualifying widow(er)</td> <td>1,000,000</td> <td>109,400</td> </tr> <tr> <td>Married filing separately</td> <td>500,000</td> <td>54,700</td> </tr> </tbody> </table>				IF your filing status is...	AND line 4 is not over...	THEN enter on line 5...			Single or head of household	\$ 500,000	\$ 70,300	}	5	Married filing jointly or qualifying widow(er)	1,000,000	109,400	Married filing separately	500,000	54,700
IF your filing status is...	AND line 4 is not over...	THEN enter on line 5...																	
Single or head of household	\$ 500,000	\$ 70,300	}	5															
Married filing jointly or qualifying widow(er)	1,000,000	109,400																	
Married filing separately	500,000	54,700																	
If line 4 is over the amount shown above for your filing status, see instructions.																			
6	Subtract line 5 from line 4. If more than zero, go to line 7. If zero or less, enter -0- here and on lines 7, 9, and 11, and go to line 10	6	16,907																
7	<ul style="list-style-type: none"> If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter. If you reported capital gain distributions directly on Schedule 1 (Form 1040), line 13; you reported qualified dividends on Form 1040, line 3a; or you had a gain on both lines 15 and 16 of Schedule D (Form 1040) (as refigured for the AMT, if necessary), complete Part III on the back and enter the amount from line 40 here. All others: If line 6 is \$191,100 or less (\$95,550 or less if married filing separately), multiply line 6 by 26% (0.26). Otherwise, multiply line 6 by 28% (0.28) and subtract \$3,822 (\$1,911 if married filing separately) from the result. 	7	2,833																
8	Alternative minimum tax foreign tax credit (see instructions)	8																	
9	Tentative minimum tax. Subtract line 8 from line 7	9	2,833																
10	Add Form 1040, line 11a (minus any tax from Form 4972), and Schedule 2 (Form 1040), line 46. Subtract from the result any foreign tax credit from Schedule 3, (Form 1040), line 48. If you used Schedule J to figure your tax on Form 1040, line 11a, refigure that tax without using Schedule J before completing this line (see instructions)	10	17,681																
11	AMT. Subtract line 10 from line 9. If zero or less, enter -0-. Enter here and on Schedule 2 (Form 1040), line 45	11																	

Part III Tax Computation Using Maximum Capital Gains Rates

Complete Part III only if you are required to do so by line 7 or by the Foreign Earned Income Tax Worksheet in the instructions.

12	Enter the amount from Form 6251, line 6. If you are filing Form 2555 or 2555-EZ, enter the amount from line 3 of the worksheet in the instructions for line 7	12	16,907
13	Enter the amount from line 6 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 11a, or the amount from line 13 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	13	14,212
14	Enter the amount from Schedule D (Form 1040), line 19 (as refigured for the AMT, if necessary) (see instructions). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	14	0
15	If you did not complete a Schedule D Tax Worksheet for the regular tax or the AMT, enter the amount from line 13. Otherwise, add lines 13 and 14, and enter the smaller of that result or the amount from line 10 of the Schedule D Tax Worksheet (as refigured for the AMT, if necessary). If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	15	14,212
16	Enter the smaller of line 12 or line 15	16	14,212
17	Subtract line 16 from line 12	17	2,695
18	If line 17 is \$191,100 or less (\$95,550 or less if married filing separately), multiply line 17 by 26% (0.26). Otherwise, multiply line 17 by 28% (0.28) and subtract \$3,822 (\$1,911 if married filing separately) from the result	18	701
19	Enter: <ul style="list-style-type: none"> \$77,200 if married filing jointly or qualifying widow(er), \$38,600 if single or married filing separately, or \$51,700 if head of household. 	19	77,200
20	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 11a, or the amount from line 14 of the Schedule D Tax Worksheet in the instructions for Schedule D (Form 1040), whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 10; if zero or less, enter -0-. If you are filing Form 2555 or 2555-EZ, see instructions for the amount to enter	20	107,590
21	Subtract line 20 from line 19. If zero or less, enter -0-	21	
22	Enter the smaller of line 12 or line 13	22	14,212
23	Enter the smaller of line 21 or line 22. This amount is taxed at 0%	23	
24	Subtract line 23 from line 22	24	14,212
25	Enter: <ul style="list-style-type: none"> \$425,800 if single \$239,500 if married filing separately \$479,000 if married filing jointly or qualifying widow(er) \$452,400 if head of household 	25	479,000
26	Enter the amount from line 21	26	
27	Enter the amount from line 7 of the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 11a, or the amount from line 19 of the Schedule D Tax Worksheet, whichever applies (as figured for the regular tax). If you did not complete either worksheet for the regular tax, enter the amount from Form 1040, line 10; if zero or less, enter -0-. If you are filing Form 2555 or Form 2555-EZ, see instructions for the amount to enter	27	107,590
28	Add line 26 and line 27	28	107,590
29	Subtract line 28 from line 25. If zero or less, enter -0-	29	371,410
30	Enter the smaller of line 24 or line 29	30	14,212
31	Multiply line 30 by 15% (0.15)	31	2,132
32	Add lines 23 and 30	32	14,212
	If lines 32 and 12 are the same, skip lines 33 through 37 and go to line 38. Otherwise, go to line 33.		
33	Subtract line 32 from line 22	33	
34	Multiply line 33 by 20% (0.20)	34	
	If line 14 is zero or blank, skip lines 35 through 37 and go to line 38. Otherwise, go to line 35.		
35	Add lines 17, 32, and 33	35	16,907
36	Subtract line 35 from line 12	36	
37	Multiply line 36 by 25% (0.25)	37	
38	Add lines 18, 31, 34, and 37	38	2,833
39	If line 12 is \$191,100 or less (\$95,550 or less if married filing separately), multiply line 12 by 26% (0.26). Otherwise, multiply line 12 by 28% (0.28) and subtract \$3,822 (\$1,911 if married filing separately) from the result	39	4,396
40	Enter the smaller of line 38 or line 39 here and on line 7. If you are filing Form 2555 or 2555-EZ, do not enter this amount on line 7. Instead, enter it on line 4 of the worksheet in the instructions for line 7	40	2,833

Passive Activity Loss Limitations

OMB No. 1545-1008

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.

2018

Attachment
Sequence No. 88

Name(s) shown on return

Anthony & Marianna Fanara

Identifying number

Part I 2018 Passive Activity Loss

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the Instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))	1a	204,976	
b	Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	(3,071)	
c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	()	
d	Combine lines 1a, 1b, and 1c	1d	201,905	

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)	2a	()	
b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	()	
c	Add lines 2a and 2b	2c	()	

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b	Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	()	
c	Prior years' unallowed losses (enter the amount from Worksheet 3, column (c))	3c	()	
d	Combine lines 3a, 3b, and 3c	3d		

4	Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used	4	201,905	
---	---	---	---------	--

If line 4 is a loss and:

- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete

Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5	Enter the smaller of the loss on line 1d or the loss on line 4	5		
6	Enter \$150,000. If married filing separately, see instructions	6		
7	Enter modified adjusted gross income, but not less than zero (see instructions)	7		
	Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.			
8	Subtract line 7 from line 6	8		
9	Multiply line 8 by 50% (0.50). Do not enter more than \$25,000. If married filing separately, see instructions	9		
10	Enter the smaller of line 5 or line 9	10	0	

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11	Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11		
12	Enter the loss from line 4	12		
13	Reduce line 12 by the amount on line 10	13		
14	Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14		

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total	15		
16	Total losses allowed from all passive activities for 2018. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	0	

For Paperwork Reduction Act Notice, see instructions.

Form 8582 (2018)

Form **8846****Credit for Employer Social Security and Medicare Taxes
Paid on Certain Employee Tips**

OMB No. 1545-0123

2018Department of the Treasury
Internal Revenue Service

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form8846 for the latest information.Attachment
Sequence No. **98**

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara

Note: Claim this credit **only** for employer social security and Medicare taxes paid by a food or beverage establishment where tipping is customary for providing food or beverages. See the instructions for line 1.

1 Tips received by employees for services on which you paid or incurred employer social security and Medicare taxes during the tax year (see instructions)	1	168,248
2 Tips not subject to the credit provisions (see instructions)	2	
3 Creditable tips. Subtract line 2 from line 1	3	168,248
4 Multiply line 3 by 7.65% (0.0765). If you had any tipped employees whose wages (including tips) exceeded \$128,400, see instructions and check here ▶ <input type="checkbox"/>	4	12,871
5 Credit for employer social security and Medicare taxes paid on certain employee tips from partnerships and S corporations	5	
6 Add lines 4 and 5. Partnerships and S corporations, report this amount on Schedule K. All others, report this amount on Form 3800, Part III, line 4f	6	12,871

For Paperwork Reduction Act Notice, see instructions.

Form 8846 (2018)

EEA

Depreciation and Amortization

(Including Information on Listed Property)

OMB No. 1545-0172

2018

Attachment
Sequence No. 179Department of the Treasury
Internal Revenue Service (99)

▶ Attach to your tax return.

▶ Go to www.irs.gov/Form4562 for instructions and the latest information.

Name(s) shown on return

Business or activity to which this form relates

Identifying number

Anthony & Marianna Fanara

Palermo Italian Restor

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2017 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5. See instructions	11	
12	Section 179 expense deduction. Add lines 9 and 10, but don't enter more than line 11	12	
13	Carryover of disallowed deduction to 2019. Add lines 9 and 10, less line 12	13	

Note: Don't use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Don't include listed property. See instructions.)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year. See instructions	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	1,166

Part III MACRS Depreciation (Don't include listed property. See instructions.)**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2018	17	328
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here		

Section B - Assets Placed in Service During 2018 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property			39 yrs.	MM	S/L	
				MM	S/L	

Section C - Assets Placed in Service During 2018 Tax Year Using the Alternative Depreciation System

(a) Class life	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 30-year			30 yrs.	MM	S/L	
d 40-year			40 yrs.	MM	S/L	

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	8,508
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instructions	22	10,002
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2018)

Part V Listed Property (Include automobiles, certain other vehicles, certain aircraft, and property used for entertainment, recreation, or amusement.)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A - Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

24a Do you have evidence to support the business/investment use claimed? ☒ Yes ☐ No **24b** If "Yes," is the evidence written? ☒ Yes ☐ No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/Investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use. See instructions 25								
26 Property used more than 50% in a qualified business use:								
Statement #4		%					8,508	
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L-		
		%				S/L-		
		%				S/L-		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1							28	8,508
29 Add amounts in column (i), line 28. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

	(a) Vehicle 1	(b) Vehicle 2	(c) Vehicle 3	(d) Vehicle 4	(e) Vehicle 5	(f) Vehicle 6
30 Total business/investment miles driven during the year (don't include commuting miles)	14,560					
31 Total commuting miles driven during the year						
32 Total other personal (noncommuting) miles driven	2,000					
33 Total miles driven during the year. Add lines 30 through 32	16,560					
34 Was the vehicle available for personal use during off-duty hours?	Yes No	Yes No	Yes No	Yes No	Yes No	Yes No
	X					
35 Was the vehicle used primarily by a more than 5% owner or related person?	X					
36 Is another vehicle available for personal use?	X					

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who aren't more than 5% owners or related persons. See instructions.

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? See instructions		

Note: If your answer to 37, 38, 39, 40, or 41 is "Yes," don't complete Section B for the covered vehicles.

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2018 tax year (see instructions):					
43 Amortization of costs that began before your 2018 tax year					43
44 Total. Add amounts in column (f). See the instructions for where to report					44

Federal Supporting Statements

2018 PG01

Name(s) as shown on return

Tax ID Number

Anthony Fanara

Schedule C - Part V - Other Expenses

Statement #1

Description	Amount
Bank Charges	2,111
Cable	3,960
Dues	4,420
Merchante Account Fees	38,165
Parking	5,250
Pest Control	3,515
Security & Protection	3,216
Telephone	14,134
Uniforms	9,584
Dinning area supples and expenses	14,011
Total	98,366

Schedule E - Line 19 - Other Expenses

PG01
Statement #2

Other Expenses	Property A	Property B	Property C
Refunds and Returns	2,644		
Postage & Shipping	44		
Other Expenses		1,936	
License and Fees			68
Other Insurance			253
Total	2,688	1,936	321

Schedule E - Line 19 - Other Expenses

PG01
Statement #3

Other Expenses	Property A	Property B	Property C
License and Fees	203		
FEES		18	
Bank Fees			12
Total	203	18	12

Federal Supporting Statements

Name(s) as shown on return

Anthony & Marianna Panara

2018
Tax ID Number
EG01

Form 4562 - Line 26

Statement #4

Description	Date	\$Bus	Cost	Dep Basis	R2	Method	Deduction	179 Ded
Chevy Impala	01-01-2004	100	22,005	22,005	5	200DBHY		
2 Vans	01-01-2001	100	55,152	55,152	5	200DBHY		
2014 Toyota Sienna	05-15-2014	100	43,761	43,761	5	200DBHY	5,041	
2015 Chevy Van	04-01-2015	100	39,387	39,387	5	200DBHY	3,467	
Total							8,508	

1040

Overflow Statement

2018
Page 1

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule A, Line 1 - Medical and Dental Expenses

Description	Amount
Pharmacy	\$ 287
Excess SEHID family health coverage	2,406
Total:	<u>\$ 2,693</u>

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule C, Line 1 - Gross Receipts

Description	Amount
Food Sales	\$ 1,659,433
Sales taxes included with Gross	157,648
Tips included in Gross	168,248
Total:	\$ 1,985,329

Schedule C, Line 6 - Other Income

Description	Amount
From 1099 Coca Cola	\$ 1,092
ATM Machine	500
Total:	\$ 1,592

Schedule C, Line 9 - Car and Truck Expenses

Description	Amount
Auto	\$ 2,111
Transportation	4,230
Total:	\$ 6,341

Schedule C, Line 14 - Employee Benefits

Description	Amount
Health Insurance	\$ 139,542
Total:	\$ 139,542

Schedule C, Line 15 - Insurance

Description	Amount
Worker's comp	\$ 13,801
General	53,656
Total:	\$ 67,457

Schedule C, Line 17 - Legal and Professional Services

Description	Amount
Accounting	\$ 5,950
Payroll Service Fee	2,020
Other	1,780
Total:	\$ 9,750

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule C, Line 23 - Taxes and Licenses

Description	Amount
Payroll Taxes	\$ 51,708
Property Taxes	17,974
City Licenses	2,703
Licenses & Permits	5,048
Total:	\$ 77,433

Schedule C, Line 26 - Wages

Description	Amount
Wages	\$ 489,970
Tips included in gross receipts	168,248
Total:	\$ 658,218

Schedule C - Business Income

Description	Amount
Other Direct Restaurant Costs	\$ 74,937
Total:	\$ 74,937

Schedule C - Business Income

Description	Amount
Sales Taxes included in revenue	\$ 157,648
Total:	\$ 157,648

Schedule C - Business Income

Description	Amount
From SS payments	\$ 2,406
Total:	\$ 2,406

Schedule A, Line 16 - Cash Contributions

Description	Amount
Paid Personally (under \$250)	\$ 275
Paid through business	1,925
St Peters Church	490
Total:	\$ 2,690

Estimated Tax Worksheet for Next Year

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

1. Wages	1.	
2. Interest and Dividend Income	2.	
3. Capital gain income	3.	
4. Taxable IRA/Pension income	4.	
5. Taxable Social Security income	5.	
6. Business income	6.	
7. Other income	7.	
8. Total income (add lines 1 thru 7)	8.	
9. Adjustments to income	9.	
10. Adjusted gross income (subtract line 9 from line 8)	10.	
11a. Itemized deductions	11a.	
11b. Standard deduction	11b.	
12. Taxable income (subtract the larger of line 11a or 11b from line 10)	12.	
13. Estimated Section 199A deduction for qualified trade or business income	13.	
14. Projected taxable income (subtract line 13 from line 12)	14.	
15. Projected Tax	15.	
16. Alternative Minimum Tax	16.	
17. Total tax	17.	
18a. Child Tax Credit and Other Dependent Credit	18a.	
18b. Other projected Credits	18b.	
18c. Total projected credits	18c.	
19. Subtract line 18d from line 17	19.	
20. Projected SE Tax - Taxpayer	20.	
21. Projected SE Tax - Spouse	21.	
22. Other taxes	22.	
23a. Add lines 19 through 22	23a.	
b. Earned income credit, additional child tax credit, fuel tax credit, net premium tax credit, refundable American opportunity credit, and refundable credit from Form 8885	23b.	
c. Total 2019 estimated tax. Subtract line 23b from line 23a. If zero or less enter -0-	23c.	
24a. Multiply line 23c by 90% (66 2/3% for farmers and fishermen)	24a.	
b. Required annual payment based on prior year's tax (see instructions) 110%	24b.	5,291
c. Required annual payment to avoid a penalty. Enter the smaller of line 24a or 24b	24c.	5,291
25. Projected Withholding	25.	
26. Projected Net Tax (subtract line 25 from line 24c)	26.	5,291

Estimates will be computed on \$5,291. This is line 26.

Use screen ETA to provide accurate estimates of next year's income, deductions, and credits. If screen ETA is used, lines 1-24a of this worksheet will be autofilled.

Worksheet 1
Forms 1040

Social Security Benefits Worksheet
Figuring Your Taxable Benefits

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Before you begin:

- If you are married filing separately and you **lived apart** from your spouse for all of 2018, enter "D" to the right of the word "benefits" on Form 1040, line 5a.
- Don't use this worksheet if you repaid benefits in 2018 and your total repayments (box 4 of Forms SSA-1099 and RRB-1099) were more than your gross benefits for 2018 (box 3 of Forms SSA-1099 and RRB-1099). None of your benefits are taxable for 2018. For more information, see Repayments More Than Gross Benefits.
- If you are filing Form 8815, Exclusion of Interest From Series EE and I U.S. Savings Bonds Issued After 1989, don't include the amount from line 2b of Form 1040 on line 3 of this worksheet. Instead, include the amount from Schedule B (Form 1040), line 2.

1. Enter the total amount from box 5 of ALL your Forms SSA-1099 and RRB-1099 .		
Also enter this amount on Form 1040, line 5a	1.	28,806
2. Multiply line 1 by 50% (0.50)	2.	14,403
3. Combine the amounts from:		
Form 1040, lines 1, 2b, 3b, 4b, and Schedule 1 (Form 1040), line 22	3.	182,175
4. Enter the amount, if any, from Form 1040, line 2a	4.	
5. Enter the total of any exclusions/adjustments for:		
• Adoption benefits (Form 8839, line 28),		
• Foreign earned income or housing (Form 2555, lines 45 and 50; or Form 2555-EZ, line 18), and		
• Certain income of bona fide residents of American Samoa (Form 4563, line 15) or Puerto Rico	5.	
6. Combine lines 2, 3, 4, and 5	6.	196,578
7. Enter the amounts from Schedule 1 (Form 1040), lines 23 through 32, and any write-in adjustments you entered on the dotted line next to Schedule 1 (Form 1040), line 36 other than any amount identified as "DPAD"		
7.		
8. Is the amount on line 7 less than the amount on line 6?		
No. STOP None of your social security benefits are taxable. Enter -0- on Form 1040, line 5b.		
X Yes. Subtract line 7 from line 6		
8.		196,578
9. If you are:		
• Married filing jointly, enter \$32,000		
• Single, head of household, qualifying widow(er), or married filing separately and you lived apart from your spouse for all of 2018, enter \$25,000	9.	32,000
Note. If you are married filing separately and you lived with your spouse at any time in 2018, skip lines 9 through 16; multiply line 8 by 85% (0.85) and enter the result on line 17. Then go to line 18.		
10. Is the amount on line 9 less than the amount on line 8?		
No. STOP None of your benefits are taxable. Enter -0- on Form 1040, line 5b.		
If you are married filing separately and you lived apart from your spouse for all of 2018, be sure you entered "D" to the right of the word "benefits" on Form 1040, line 5a.		
X Yes. Subtract line 9 from line 8		
10.		164,578
11. Enter \$12,000 if married filing jointly; \$9,000 if single, head of household, qualifying widow(er), or married filing separately and you lived apart from your spouse for all of 2018		
11.		12,000
12. Subtract line 11 from line 10. If zero or less, enter -0-	12.	152,578
13. Enter the smaller of line 10 or line 11	13.	12,000
14. Multiply line 13 by 50% (0.50)	14.	6,000
15. Enter the smaller of line 2 or line 14	15.	6,000
16. Multiply line 12 by 85% (0.85). If line 12 is zero, enter -0-	16.	129,691
17. Add lines 15 and 16	17.	135,691
18. Multiply line 1 by 85% (0.85)	18.	24,485
19. Taxable benefits. Enter the smaller of line 17 or line 18. Also enter this amount on Form 1040, line 5b		
19.		24,485

TIP

If you received a lump-sum payment in 2018 that was for an earlier year, also complete Worksheet 2 or 3 and Worksheet 4 to see if you can report a lower taxable benefit.

Computation of Regular Tax

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Statement for line 11a of Form 1040

Tax Rate Schedule for Married Filing Joint Filing Status

If taxable income is					
over	but not over	pay	plus	% on excess	of the amount over
0	19,050	0.00		10%	0
19,050	77,400	1,905.00		12%	19,050
77,400	165,000	8,907.50		22%	77,400
165,000	315,000	28,179.00		24%	165,000
315,000	400,000	64,179.00		32%	315,000
400,000	600,000	91,379.00		35%	400,000
600,000		161,379.00		37%	600,000

$$\$8,907.00 + ((\$121,802.00 - \$77,400.00) \times 22.0\%) = \$18,675$$

Tax from Tax Rate Schedule \$ 18,675

Tax from Qualified Dividends/Capital Gain Worksheet \$ 17,681

\$ 17,681 Tax computed using the most advantageous method allowed

Qualified Dividends and Capital Gain Tax Worksheet - Line 11a (Form 1040)

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Before you begin:

- See the instructions for line 11a to see if you can use this worksheet to figure your tax.
- Before completing this worksheet, complete Form 1040 through line 10.
- If you don't have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Schedule 1.

1. Enter the amount from Form 1040, line 10. However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	121,802
2. Enter the amount from Form 1040, line 3a*	2.	14,212
3. Are you filing Schedule D?*		
<input type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or 16 is blank or a loss, enter -0-.	3.	
<input checked="" type="checkbox"/> No. Enter the amount from Schedule 1, line 13.		
4. Add lines 2 and 3	4.	14,212
5. If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	
6. Subtract line 5 from line 4. If zero or less, enter -0-	6.	14,212
7. Subtract line 6 from line 1. If zero or less, enter -0-	7.	107,590
8. Enter:		
\$38,600 if single or married filing separately, \$77,200 if married filing jointly or qualifying widow(er), \$51,700 if head of household.	8.	77,200
9. Enter the smaller of line 1 or line 8	9.	77,200
10. Enter the smaller of line 7 or line 9	10.	77,200
11. Subtract line 10 from line 9. This amount is taxed at 0%	11.	
12. Enter the smaller of line 1 or line 6	12.	14,212
13. Enter the amount from line 11	13.	
14. Subtract line 13 from line 12	14.	14,212
15. Enter:		
\$425,800 if single, \$239,500 if married filing separately, \$479,000 if married filing jointly or qualifying widow(er), \$452,400 if head of household.	15.	479,000
16. Enter the smaller of line 1 or line 15	16.	121,802
17. Add lines 7 and 11	17.	107,590
18. Subtract line 17 from line 16. If zero or less, enter -0-	18.	14,212
19. Enter the smaller of line 14 or line 18	19.	14,212
20. Multiply line 19 by 15% (0.15)	20.	2,132
21. Add lines 11 and 19	21.	14,212
22. Subtract line 21 from line 12	22.	
23. Multiply line 22 by 20% (0.20)	23.	
24. Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	24.	15,549
25. Add lines 20, 23, and 24	25.	17,681
26. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	26.	18,675
27. Tax on all taxable income. Enter the smaller of line 25 or line 26. Also include this amount on the entry space on Form 1040, line 11a. If you are filing Form 2555 or 2555-EZ, don't enter this amount on the entry space on Form 1040, line 11a. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	27.	17,681

* If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

Investment Income for the
Earned Income Credit

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Interest and Dividends

1. Enter any amount from Form 1040, line 2b 1. 256
2. Enter any amount from Form 1040, line 2a, plus any amount on Form 8814, line 1b 2. _____
3. Enter any amount from Form 1040, line 3b 3. 14,212
4. Enter the amount from Form 1040, Schedule 1, line 21, that is from Form 8814 if you are filing that form to report your child's interest and dividend income on your return. (If your child received an Alaska Permanent Fund dividend, use Worksheet 2, on the next page, to figure the amount to enter on this line.) 4. _____

Capital Gain Net Income

5. Enter the amount from Form 1040, Schedule 1, line 13. If the amount on that line is a loss, enter -0- 5. _____
6. Enter any gain from Form 4797, Sales of Business Property, line 7. If the amount on that line is a loss, enter -0-. (But, if you completed lines 8 and 9 of Form 4797, enter the amount from line 9 instead.) 6. _____
7. Subtract line 6 of this worksheet from line 5 of this worksheet. (If the result is less than zero, enter -0-.) 7. _____

Royalties and Rental Income from Personal Property

8. Enter any royalty income from Schedule E, line 4, plus any income from the rental of personal property shown on Form 1040, Schedule 1, line 21, minus any expenses from Schedule E, line 20, related to royalty income, plus any expenses from the rental of personal property deducted on Form 1040, line 36 of personal property deducted on Form 1040, Schedule 1, line 36 (if the result is less than zero, enter -0-.) 8. _____

Passive Activities

9. Enter the total of any net income from passive activities (such as income included on Schedule E, lines 26, 29a (col. (g)), 34a (col. (d)), or 40) and the total of any losses from passive activities (included on Schedule E, lines 26, 29b (col. (f)), 34b (col. (c)), or 40). (See instructions below for line 9.) (if zero or less, enter -0-) 9. 201,905
10. Adjustment from EIC screen 10. _____
11. Add the amounts on lines 1, 2, 3, 4, 7, 8, 9 and 10. Enter the total. **This is your investment income** 11. 216,373
12. Is the amount on line 11 more than \$3,500?
- ☒ Yes. You cannot take the credit.
- ☐ No. Go to Step 3 of the Form 1040 instructions for line 17 to find out if you can take the credit (unless you are using this publication to find out if you can take the credit; in that case, go to Rule 7, next).

Instructions for line 9. In figuring the amount to enter on line 9, do not take into account any royalty income (or loss) included on line 26 of Schedule E or any amount included in your earned income. To find out if the income on line 26 or line 40 of Schedule E is from a passive activity, see the Schedule E instructions. If any of the rental real estate income (or loss) included on Schedule E, line 26, is not from a passive activity, print "NPA" and the amount of that income (or loss) on the dotted line next to line 26.

1040

Overflow Statement

2018

Name(s) as shown on return

Your Social Security Number

Anthony & Marianna Fanara

Schedule A, Line 5a - STATE AND LOCAL INCOME TAXES

Description	Amount
From Estimated Tax Payments	\$ 3,357
Adjusting entry on Schedule A - line 5a	1,170
Total:	<u>\$ 4,527</u>

Explanation of Schedule A, line 5e

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

This worksheet shows the breakdown of which state and local taxes are actually being deducted on federal Schedule A when the state and local taxes are limited to \$10,000 (\$5,000 if married filing separately.)

	<u>Total paid</u>	<u>Allowed amount</u>
1. Real estate taxes	0	0
2. Personal property taxes	8,360	8,360
3. State and local income taxes	4,527	1,640
4. Sales tax	1,476	0
5. Add amounts in right column of lines 1-4. Enter this amount on Schedule A, line 5e		10,000

**Worksheet To Figure Your Qualified Loan Limit and
Deductible Home Mortgage Interest For the Current Year**

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Part I Qualified Loan Limit

1. Enter the average balance of all your grandfathered debt. See the line 1 instructions 1. _____
2. Enter the average balance of all your home acquisition debt incurred prior to
December 16, 2017. See the line 2 instructions 2. 1,130,561
3. Enter \$1,000,000 (\$500,000 if married filing separately) 3. 1,000,000
4. Enter the larger of the amount on line 1 or the amount on line 3 4. 1,000,000
5. Add the amounts on lines 1 and 2. Enter the total here 5. 1,130,561
6. Enter the smaller of the amount on line 4 or the amount on line 5 6. 1,000,000
 - If you have no home acquisition debt incurred after December 15, 2017, line 6 is your qualified loan limit. Enter this amount on line 11 and go to Part II, line 12.
 - If you have home acquisition debt incurred after December 15, 2017, go to line 7.
7. Enter the average balance of all your home acquisition debt incurred after December
15, 2017. See the line 7 instructions 7. _____
8. Enter \$750,000 (\$375,000 if married filing separately) 8. _____
9. Enter the larger of the amount on line 6 or the amount on line 8 9. _____
10. Add the amounts on lines 6 and 7. Enter the total here 10. _____
11. Enter the smaller of line 9 or line 10. **This is your qualified loan limit** 11. 1,000,000

Part II Deductible Home Mortgage Interest

12. Enter the total of the average balances of all mortgages on all qualified homes.
See the line 12 instructions 12. _____
 - If line 11 is less than line 12, go on to line 13.
 - If line 11 is equal to or more than line 12, stop here. All of your interest on all the mortgages included on line 12 is deductible as home mortgage interest on Schedule A (Form 1040).
13. Enter the total amount of interest that you paid. See the line 13 instructions 13. _____
14. Divide the amount on line 11 by the amount on line 12. Enter the result as a decimal
amount (rounded to three places) 14. _____
15. Multiply the amount on line 13 by the decimal amount on line 14. Enter the result.
This is your deductible home mortgage interest. Enter this amount on
Schedule A (Form 1040) 15. _____
16. Subtract the amount on line 15 from the amount on line 13. Enter the result. **This
isn't home mortgage interest.** See the line 16 instructions. 16. _____

Auto Expense Worksheet

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Profession/Business

Restaurant Food Sale\Palermo Italian Restorante

Description Business Vehicles

Date placed in service 2012-01-01

Number of miles your vehicle was used for:

Total Business miles driven during the year 14,560

Total Commuting miles driven during the year

Total Other miles driven during the year 2,000

Total Miles driven during the year 16,560

Business Use percentage 87.92

Expenses:

Total

Business
Percentage

Section 179		
Bonus Depreciation		
Depreciation		
Garage Rent		
Gas		
Insurance		
Licenses		
Oil		
Parking Fees		
Rental Fees		
Interest		
Personal Property Tax		
Repairs		
Tires		
Tolls		
Lease Add Back		
Other Expenses:		
<u>Auto</u>		
Total Expenses		

Standard Mileage Rate Calculation

Business miles	<u>14,560</u>	X 0.545	<u>7,935</u>	<u>7,935</u>
Parking fees				
Tolls				
Interest				
Personal Property Tax				
Total Standard Mile Rate deduction				<u>7,935</u>

How it is reported:

Depreciation deduction	
Auto Expense	<u>7,935</u>
Personal Property Taxes, Schedule A, Line 5c	

Form 6251, Line 2m - Passive Activities

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Description	Form/ Sch	AMT Inc/Loss	Regular Inc/Loss	Difference Line 2m
[REDACTED]	SCH E	(3,070)	(3,071)	1
	TOTALS	<u>(3,070)</u>	<u>(3,071)</u>	<u>1</u>

Worksheet 1
For Form 8582, Lines 1a, 1b, and 1c
(See instructions.)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

	Name of activity	Current year		Prior years	Overall gain or loss	
		(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
1	[REDACTED]	32,399	0	0	32,399	0
2	[REDACTED]	52,220	0	0	52,220	0
3	[REDACTED]	0	3,071	0	0	3,071
4	[REDACTED]	20,904	0	0	20,904	0
5	York Sign	1,475	0	0	1,475	0
6	[REDACTED]	97,978	0	0	97,978	0
Total. Enter on Form 8582, lines 1a, 1b, and 1c ▶		204,976	3,071	0	204,976	3,071

Modified Adjusted Gross Income (MAGI)
Form 8582, Line 7

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Income	Regular tax	Alt Min Tax
Wages		
Interest income before Series EE bond exclusion	256	256
Dividend income	14,212	14,212
Taxable state and local refunds	157	
Alimony received		
Nonpassive business income or (loss)	(34,355)	(39,694)
Schedule D and Form 4797		
Taxable IRA distributions		
Taxable pensions and annuities		
Nonpassive partnership income or (loss) (including overall PTP gains and sold PTP losses)		
Nonpassive S corporation income or (loss)		
Nonpassive estate and trust income or (loss)		
Real Estate Mortgage Investment Conduits (REMICS)		
Royalty income		
Net rental real estate gains for a real estate professional or non-passive rental		
Overall loss from the entire disposition of a passive activity		
Nonpassive farm income or (loss)		
Unemployment compensation		
Other income		
Total income	(19,730)	(25,226)
Adjustments		
Educator expenses		
Certain business expenses of reservists, performing artists, and fee-based government officials		
Health savings account deduction		
Moving expenses		
Self-employed SEP, SIMPLE, and qualified plans		
Self-employed health insurance deduction		
Penalty on early withdrawal of savings		
Alimony paid		
Other adjustments		
Total adjustments	0	0
Subtract total adjustments from total income	(19,730)	(25,226)
MAGI adjustment from input screen E2		
Modified adjusted gross income	(19,730)	(25,226)

2018 Qualified Business Income Deduction Simplified Worksheet

Form 1040/1041

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Before you begin: This worksheet is for taxpayers who:

- Have qualified business income, REIT dividends, or PTP income.
- Are not a patron in a specified agricultural or horticultural cooperative.
- Have taxable income of \$157,500 or less (\$315,000 or less if married filing jointly).

1.	(a) Trade or business name	(b) Employer identification number	(c) Qualified business income or (loss)
i.	Schedule C: Palermo Italian Ristorante		(34,355)
ii.	Schedule E: [REDACTED]		32,399
iii.	Schedule E: [REDACTED]		52,220
iv.	Schedule E: [REDACTED]		(3,071)

Continued on "QBI Simple - Line 1"

2. Total qualified business income or (loss). Add the amounts in 1i through 1iv, column 1(c) 2. 167,550

Note. If reporting qualified business income or (loss) from more than four trades or businesses, see the instructions for line 2 of this worksheet.

3. Qualified business loss carryforward from the prior year 3. _____

4. Total qualified business income. Combine lines 2 and 3. If zero or less, enter -0- . . . 4. 167,550

5. Qualified business income component. Multiply line 4 by 20% (0.20) 5. 33,510

6. Qualified REIT dividends and PTP income or (loss) 6. 0

7. Qualified REIT dividends and PTP loss carryforward from the prior year 7. (_____)

8. Total qualified REIT dividends and PTP income. Add lines 6 and 7. If zero or less, enter -0- 8. 0

9. REIT and PTP component. Multiply line 8 by 20% (0.20) 9. _____

10. Qualified business income deduction before the income limitation. Add lines 5 and 9 10. 33,510

a. Enter amount from Form 1040, line 7 a. 206,660

b. Enter amount from Form 1040, line 8 b. 57,960

11. Taxable income before qualified business income deduction. Subtract line b from line a. If filing with Form 1041, enter amount from Form 1041, line 22. 11. 148,700

12. Net capital gain (see instructions) 12. 14,212

13. Subtract line 12 from line 11. If zero or less, enter -0- 13. 134,488

14. Income limitation. Multiply line 13 by 20% (0.20) 14. 26,898

15. Qualified business income deduction. Enter the smaller of line 10 or line 14 15. 26,898

16. Total qualified business loss carryforward. Add lines 2 and 3. If more than zero, enter -0- 16. (0)

17. Total qualified REIT dividends and PTP loss carryforward. Add lines 6 and 7. If more than zero, enter -0- 17. (0)

QBI Deduction Simplified Worksheet Overflow

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

(a) Trade or business name

(b) EIN

(c) Qualified business

income or (loss)

Schedule E: [REDACTED]

20,904

Schedule E: York Sign

1,475

Schedule E: [REDACTED]

97,978

Depreciation Detail Listing

Palermo Italian Ristorante

For your records only

* Item is included in UBI/A for Section 199A calculations. See "UBI/A" in lower right corner. Name(s) as shown on return

Social security number/EIN

2018
PAGE 1

Anthony & Marianna Parara

No.	Description	Date	Cost	Base Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
1	Fully Depreciated 7 Y Building	01012000	252,996		100.00			252,996	7		0	252,996		252,996	
2	Improvements	01011980	273,904		100.00			273,904	31.5		0	273,904		273,904	
3	Chevy Impala	01011990	398,378		100.00			398,378	20		0	398,378		398,378	
4	2 Vans	01012004	22,005		100.00			22,005	5	200 DB HY	0	22,005		22,005	
5	Bldg Improvements	01012001	55,152		100.00			55,152	5	200 DB HY	0	55,152		55,152	
6	Bldg Improvements	01011991	17,432		100.00			17,432	39	SL	2.564	12,050	447	12,497	447
7	Bldg Improvements	01011995	5,300		100.00			5,300	39	SL	2.564	3,121	136	3,257	136
8	Bldg Improvements	01012000	2,840		100.00			2,840	39	SL	2.564	1,309	73	1,382	73
9	Bldg Improvements	01012005	19,880		100.00			19,880	39	SL	2.564	6,607	510	7,117	510
10	Stove & Fridge	01012008	13,960		100.00			13,960	7		0	13,960		13,960	
11	2014 Toyota Sienna	05152014	43,761		100.00			43,761	5	200 DB HY	11.52	36,199	5,041	41,240	7,291
12	2015 Chevy Van	04012015	39,387		100.00			39,387	5	200 DB HY	11.52	35,920	3,467	39,387	6,562
13	Restaurant Furniture	02202015	2,625		100.00			2,625	7	200 DB HY	12.49	1,477	328	1,805	322
Totals			1,147,620					1,147,620				1,113,078	10,002	1,123,080	15,341

Land Amount
Net Depreciable Cost

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

ST ADJ:
UBIA: 131,225

Depreciation Detail Listing

4637 Russel L A

For your records only

* Item is included in UBI A
for Section 199A calculations.
See "UBIA" in lower right corner.
Name(s) as shown on return

Social security number/EIN

2018
PAGE 1

Anthony & Marianna Panara

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
14	Russel Building	01011997	379,347		100.00			379,347	39	SL	2.554	191,571	9,727	201,298	9,727
14	LAND	01011997	126,450		100.00				0	NDA	0	11,072		11,072	
15	Russell - Improvement	09012003	11,072		100.00			11,072	10			63,466	932	64,400	932
16	Russell Improvements	01012012	64,400		100.00			64,400	7	SL HY	14.266				
Totals			581,269					454,819				266,111	10,659	276,770	10,659

Land Amount
Net Depreciable Cost

126,450
454,819

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

10,659

ST ADJ:
UBIA:

443,747

Depreciation Detail Listing

2235 Honolulu

For your records only

* Item is included in UBI A
for Section 199A calculations.
See "UBIA" in lower right corner.
Name(s) as shown on return

Social security number/EIN

2018
PAGE 1

Anthony & Marianna Patawa

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current
17	Motrose Property	07311998	915,873		100.00			915,873	39	SL	2.564	374,687	23,484	398,171	23,484
17	LAND	07311998	230,000		100.00				0	NDA					
18	Motrose Improvements	07151999	435,208		100.00			435,208	15		0	301,581		301,581	
19	Motrose - Improvements	07012000	65,000		100.00			65,000	15		0	65,000		65,000	
Totals			1,646,081					1,416,081				741,268	23,484	764,752	23,484

Land Amount 230,000
Net Depreciable Cost 1,416,081

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus 23,484
ST ADJ: UBI A: 915,873

Depreciation Detail Listing

3204/06 Huron St

For your records only

* Item is included in UBIA for Section 199A calculations. See "UBIA" in lower right corner. Name(s) as shown on return

Social security number/EIN

2018
PAGE 1

Anthony & Marianna Panara

PROPERTY & PARTIALS STATE																
No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current	
20	Huron Property	01012004	118,214		100.00			118,214	27.5	SL	MM	3.636	60,439	4,299	64,738	4,298
20	LAND	01012004	132,488		100.00				0	NDA						
Totals			250,702					118,214				60,439	4,299	64,738	4,298	

Land Amount
Net Depreciable Cost

118,214
118,214

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

4,299

ST ADJ: UBIA: 118,214

Depreciation Detail Listing

5632 York Blvd

For your records only

* Item is included in UBIA
for Section 199A calculations.
See "UBIA" in lower right corner.
Name(s) as shown on return

Social security number/EIN

2018
PAGE 1

Anthony & Marianna Panera

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current	
21	York Property	01012004	98,682*		100.00			98,682	27.5	SL	MM	3.636	50,451	3,588	54,039	3,588
21	LAND	01012004	100,931		100.00				0	NDA						
Totals			199,613					98,682				50,451	3,588	54,039	3,588	

Land Amount
Net Depreciable Cost

100,931
98,682

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

3,588

ST ADJ:
UBIA:

98,682

Depreciation Detail Listing

3724-26 Mission Rd

For your records only

Social security number/EIN

2018
PAGE 1

* Item is included in UBI-A
for Section 199A calculations.
See "UBI/A" in lower right corner.
Name(s) as shown on return

Anthony & Marianna Panara

No.	Description	Date	Cost	Basis Adjustment	Business percentage	Section 179	Bonus depreciation	Depreciable Basis	Life	Method	Rate	Prior Depreciation	Current Depreciation	Accumulated Depreciation	AMT Current	
22	Mission Rd Property	05012014	707,399	*	100.00			707,399	39	SL	MM	2.564	65,768	18,138	83,906	18,138
22	LAND	05012014	900,327		100.00				0	NDA						
Totals			1,607,726					707,399				65,768	18,138	83,906	18,138	

Land Amount
Net Depreciable Cost

900,327
707,399

CY 179 and CY Bonus
TOTAL CY Depr including 179/bonus

18,138
ST ADJ:
UBIA: 707,399

Carryover Worksheet

List of items that will carryover to the 2019 tax return

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Itemized Deductions

Carryover Amount

Contributions subject to 100% of AGI limitations		
Contributions subject to 60% of AGI limitations		
Contributions subject to 30% of AGI limitations (50% capital gains appreciated property)		
Contributions subject to 30% of AGI limitations		
Contributions subject to 20% of AGI limitations (30% capital gains appreciated property)		
Taxable state and local refunds to Form 1040, line 10		
State/local taxes paid in 2019 to flow to the Schedule A		2,368
State donations and contributions carryover		
State overpayment applied to next year		

Expenses

Office in home operating expenses		
Office in home excess casualty losses and depreciation		
Disallowed investment interest expense	AMT	Reg. Tax
Section 179 expense		
Operating expenses, from Form WK_E, Sch E - Rental limitation on deductions when used for personal use		
Excess depreciation, from Form WK_E, Sch E - Rental limitation on deductions when used for personal use		

Losses

Short-term capital loss	AMT	Reg. Tax
Long-term capital loss	AMT	Reg. Tax
Net operating loss	AMT	Reg. Tax
Excess business loss from Form 461 (becomes part of NOL next year)	AMT	Reg. Tax
Qualified REIT and PTP loss carryover		
QBI loss carryover		
Nonrecaptured net section 1231 losses from WK_1231C	AMT	Reg. Tax

Credits

Mortgage interest credit		
Credit for prior year minimum tax		
Foreign Tax credit	AMT	Reg. Tax
District of Columbia first time home owner's credit		
Res. energy efficient property credit		

Other

Preparer Fee		
Overpayment applied to next year's estimates		
Estimated Tax Payment 1	Estimated Tax Payment 2	2,000
Estimated Tax Payment 3 <u>2,000</u>	Estimated Tax Payment 4	2,000
Federal tax liability for 2210 calculation		4,810
State tax liability for state 2210 calculation		5,725
IRA basis	Taxpayer	Spouse

Passive Activity

At Risk Limitations

Current Year Unused General Business Credit

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Code <u>A</u>		Original Credit Amount	Original Credit Allowed	Carryback to 2017	Carryover to 2019
Form Number	Description				
3468	Investment				
6765	Increasing research				
8586	Low-income housing				
8826	Disabled access				
8835	Renewable electricity & refined coal				
8845	Indian employment				
8820	Orphan drug				
8874	New markets				
8881	Small employer pension plan				
8882	Employer-provided child care				
8864	Biodiesel & renewable diesel fuels				
8896	Low sulfur diesel fuel production				
8906	Distilled spirits				
	Reserved				
8908	Energy efficient home				
	Reserved				
8910	Alternative motor vehicle				
8911	Alternative fuel vehicle				
8830	Enhanced oil recovery				
8923	Mine rescue team training				
	Reserved				
8932	Employer differential wage payments				
8933	Carbon dioxide sequestration				
8936	Qualified plug-in electric drive				
	Reserved				
5884-A	Credits for disaster area employers				
1065-B	Electing large partnership				
8904	Oil & gas production from marginal wells				
8844	Empowerment zone credit				
3468	Investment				
5884	Work opportunity				
6478	Biofuel Producer				
8586	Low-income housing				
8835	Renewable electricity & refined coal				
8846	Employer taxes paid on tips	12,871	12,871		
8900	Qualified railroad track maintenance				
8941	Small employer health insurance				
6765	Increasing research activities				
8994	Employer paid family and medical leave				
	Totals	12,871	12,871		

Passive Activity Deduction Worksheet

Form 1040 or 1041

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

PAN 3 Activity [REDACTED] Form SCH E 100% Disposed Of NO

Regular Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Income/Loss	Utilized in Current Year	Losses Suspended To Next Year
Operating		(3,071)	(3,071)	
Form 4797 - Part I				
Form 4797 - Part II				
TOTALS		(3,071)	(3,071)	

Alternative Minimum Tax Loss Calculations

	Prior Year Suspended Losses	Current Year Income/Loss	Utilized in Current Year	Losses Suspended To Next Year
Operating		(3,070)	(3,070)	
Form 4797 - Part I				
Form 4797 - Part II				
TOTALS		(3,070)	(3,070)	

FOR ALT MIN TAX PURPOSES ONLY
**Qualified Dividends and Capital Gain
Tax Worksheet - Line 11a (Form 1040)**

(Keep for your records)

2018

Name(s) as shown on return

Tax ID Number

Anthony & Marianna Fanara

Before you begin:

- See the instructions for line 11a to see if you can use this worksheet to figure your tax.
- Before completing this worksheet, complete Form 1040 through line 10.
- If you don't have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Schedule 1.

1. Enter the amount from Form 1040, line 10. However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	121,802
2. Enter the amount from Form 1040, line 3a*	2.	14,212
3. Are you filing Schedule D?*		
<input type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or 16 is blank or a loss, enter -0-.	3.	
<input type="checkbox"/> No. Enter the amount from Schedule 1, line 13.		
4. Add lines 2 and 3	4.	14,212
5. If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	
6. Subtract line 5 from line 4. If zero or less, enter -0-	6.	14,212
7. Subtract line 6 from line 1. If zero or less, enter -0-	7.	107,590
8. Enter:		
\$38,600 if single or married filing separately, \$77,200 if married filing jointly or qualifying widow(er), \$51,700 if head of household.	8.	
9. Enter the smaller of line 1 or line 8	9.	
10. Enter the smaller of line 7 or line 9	10.	
11. Subtract line 10 from line 9. This amount is taxed at 0%	11.	
12. Enter the smaller of line 1 or line 6	12.	
13. Enter the amount from line 11	13.	
14. Subtract line 13 from line 12	14.	
15. Enter:		
\$425,800 if single, \$239,500 if married filing separately, \$479,000 if married filing jointly or qualifying widow(er), \$452,400 if head of household.	15.	
16. Enter the smaller of line 1 or line 15	16.	
17. Add lines 7 and 11	17.	
18. Subtract line 17 from line 16. If zero or less, enter -0-	18.	
19. Enter the smaller of line 14 or line 18	19.	
20. Multiply line 19 by 15% (0.15)	20.	
21. Add lines 11 and 19	21.	
22. Subtract line 21 from line 12	22.	
23. Multiply line 22 by 20% (0.20)	23.	
24. Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	24.	
25. Add lines 20, 23, and 24	25.	
26. Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	26.	
27. Tax on all taxable income. Enter the smaller of line 25 or line 26. Also include this amount on the entry space on Form 1040, line 11a. If you are filing Form 2555 or 2555-EZ, don't enter this amount on the entry space on Form 1040, line 11a. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	27.	

* If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.

Form **8582****Passive Activity Loss Limitations**

OMB No. 1545-1008

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to Form 1040 or Form 1041.

▶ Go to www.irs.gov/Form8582 for instructions and the latest information.**2018**Attachment
Sequence No. **88**

Name(s) shown on return

Identifying number

Anthony & Marianna Fanara**Part I 2018 Passive Activity Loss**

Caution: Complete Worksheets 1, 2, and 3 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see**Special Allowance for Rental Real Estate Activities** in the instructions.)

1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a	204,976	
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	(3,070)	
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	()	
d Combine lines 1a, 1b, and 1c	1d		201,906

Commercial Revitalization Deductions From Rental Real Estate Activities

2a Commercial revitalization deductions from Worksheet 2, column (a)	2a	()	
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b	()	
c Add lines 2a and 2b	2c	()	

All Other Passive Activities

3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b	()	
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c	()	
d Combine lines 3a, 3b, and 3c	3d		

4 Combine lines 1d, 2c, and 3d. If this line is zero or more, stop here and include this form with your return; all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Report the losses on the forms and schedules normally used	4		201,906
--	----------	--	---------

If line 4 is a loss and:

- Line 1d is a loss, go to Part II.
- Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
- Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, **do not** complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	
6 Enter \$150,000. If married filing separately, see instructions	6	
7 Enter modified adjusted gross income, but not less than zero (see instructions)	7	
Note: If line 7 is greater than or equal to line 6, skip lines 8 and 9, enter -0- on line 10. Otherwise, go to line 8.		
8 Subtract line 7 from line 6	8	
9 Multiply line 8 by 50% (0.50). Do not enter more than \$25,000. If married filing separately, see instructions	9	
10 Enter the smaller of line 5 or line 9	10	0

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II in the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	
16 Total losses allowed from all passive activities for 2018. Add lines 10, 14, and 15. See instructions to find out how to report the losses on your tax return	16	0

For Paperwork Reduction Act Notice, see instructions.

Form 8582 (2018)